

Special Notice Effective July 1, 2013

Commercial Lease Rental Tax

As of July 1, 2013 - Commercial lease income is exempted from leases between affiliated companies, businesses, persons, or reciprocal insurers if the lessor holds a controlling interest in the lessee, or if the lessee holds a controlling interest in the lessor, or if an affiliated entity holds a controlling interest in both the lessor and the lessee, or if an unrelated person holds a controlling interest in both. Controlling interest means an 80% ownership of the voting shares of a corporation or of the interests in an entity other than a corporation.

If you have any questions regarding this exemption, please call the License Section at 520-791-4566 or Tax Audit at 520-791-4681.